

HB381 (2009) – Rep. Mike Miller ESTABLISHING INCOME TAX CREDITS FOR MEDICAL EXPENSES

----- MEA-MFT HB381 Opponent's Statement – February 12, 2009

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Before the Montana House Taxation Committee

MEA-MFT generally opposes the use or expansion of tax credits as a means of addressing the legitimate and significant need to promote universal access to high quality and affordable health care for all Montanans.

MEA-MFT opposes HB381 because tax credits for health care expenses:

Do nothing to control growth in underlying health care costs themselves --

health care costs (HCC) now amount to more than 16% of GDP
over the last 20 years, HCC have grown by 3x the rate of CPI
school budget HCC have doubled since the '90s, now consuming 10%+ of expenditures
school employee out-of-pocket HCC have tripled during the same period (family/\$5000)
with similar HCC impacts being experienced by most employers, workers & families

Impose an unaffordable tax expenditure of \$70m+ per year on state revenues –
with *'no bang for the buck'*

Do not provide or promote access to health care for a single Montanan –

Make our health care financing system more inefficient, more complicated and less equitable.

MEA-MFT requests that the Committee "vote no/do not pass" on HB381.

- Public Schools ▪ Higher Education
- State & County Employees
- Head Start ▪ Health Care